GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:322
ANSWERED ON:19.07.2016
Loss Making PSUs
Kesineni Shri Srinivas;Muddahanumegowda Shri S.P.

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) the total number of private and public sector industries close down and the number of industries incurring losses along with the reasons therefor during the last one year;

(b) whether the Union Government has received any proposals to restart these industries or to make them profitable and if so, the action taken on those proposals;

(c) the total number of people whose employment got directly or indirectly affected due to closing of such industries and the action taken thereon; and

(d) the efforts made/proposed to be made by the Union Government to make such industries profitable and to restart the closed industries?

Answer

THE MINISTER OF STATE FOR HEAVY INDUSTRIES AND PUBLIC ENTERPRISES

(SHRI BABUL SUPRIYO)

(a) to (c): As per information available in Public Enterprises Survey 2014-15 which was laid in the Parliament on 26.02.2016, four Central Public Sector Enterprises (CPSEs) were closed down during 2014-15 and 378 employees were on their rolls. The Department of Public Enterprises does not maintain information of private companies. There were 77 CPSEs incurring losses during 2014-15. The reasons for losses differ from CPSE to CPSE. However, some common problems faced by loss making CPSEs include obsolete plants and machinery, heavy interest burden, resource crunch, low capacity utilization, competition, low productivity, surplus manpower, high input cost, etc.

(d): Department of Public Enterprises has issued guidelines for "Streamlining the mechanism for revival and restructuring of sick/ incipient sick and weak CPSEs: General principles and mechanism of restructuring" and under these guidelines the administrative Ministries /Departments are expected to take measures for revival of loss making CPSEs under their administrative control on case to case basis.

*****